

BOARD OF EQUALIZATION

GILA COUNTY, ARIZONA

Date: November 16, 2004

JOSÉ M. SANCHEZ

Chairman

JOHN F. NELSON

Clerk of the Board

RONALD A. CHRISTENSEN

Vice-Chairman

By: Marilyn Brewer

Deputy Clerk

CRUZ SALAS

Member

Gila County Courthouse
Guerrero Complex
Globe, Arizona

PRESENT: José M. Sanchez, Chairman; Ronald A. Christensen, Vice-Chairman; Cruz Salas, Member; Dale Hom, Assessor; Larry Huffer, Chief Appraiser; Irene Mata, Property Appraiser III; and, Marian Sheppard, Chief Deputy Clerk of the Board of Supervisors.

At 2:30 p.m., the Gila County Board of Equalization met to review appeals of the Assessor's 2005 Notices of Change for the value of various parcels of land located within Gila County. (Note for the record: The meeting was scheduled to begin at 1:30 p.m.; however, because of individual petitioners' last minute cancellations, the meeting time was changed to 2:30 p.m.) Chairman Sanchez asked everyone present to state their name and title for the record.

For the record, as each petition was reviewed, the Chairman advised the petitioners present of the hearing process. The Assessor provided the Board of Equalization with maps and photographs of each subject property and comparable sale properties. Chairman Sanchez asked each petitioner who appeared in person to voice his/her concerns first. He then called upon Larry Huffer to present documentation to the Board and explain the Assessor's opinion of value for each property or tax parcel. Assessor Dale Hom also presented information to the Board.

In total, four petitions were presented for review by the Board of Equalization. A summary of the results of the hearings in the order they were addressed is as follows:

- **Parcel No. 201-08-062A – Loren E. Salters – on the record.**

The Petition for Review of Notice of Change submitted by Mr. Salters states that his opinion of value for the subject property is \$15,000. The Petition states: *“This .5 acre (parcel) was divided last year. ’03 to ’04 tax increase on the 1.0 acre increased by approximately 2.25%. In ’05 the same acre received an increase of 80%. I have a trailer on site and (I am) in the process of electric, water and septic.”* Mr. Huffer advised that this subject property located in Tonto Basin was purchased by Mr. Salters on February 20, 2004, for \$31,500 for a one-half acre parcel which was split from a one acre parcel. Mr. Huffer presented a map of the subject property and stated that all .50 acre parcels in the area of the subject property are valued at the same amount and recommended that the 2005 Full Cash Value of this parcel remain at \$19,690 for the 2005 tax year.

Decision: No change. The Board of Equalization agrees with the Assessor’s opinion of value based on the recent purchase price of \$31,500.

FCV (full cash value) = \$19,690; LPV (limited cash value) = \$19,579;

Legal Class = 02; and, Assessment Ratio = 16%.

- **Parcel No. 301-14-031 – Robert C. & Cecile P. Rogge – on the record.**

The Petition for Review of Notice of Change submitted by Mr. and Mrs. Rogge states that their opinion of value for the subject property is \$215,000. The Petition states: *“Sales are down in the area. Another home sold for \$190,000 (3 bedroom, 2 bath). We paid \$185,000 for a 2 bedroom, 2 bath, (then we added another bedroom for additional cost of \$27,000). Sales are down due to water problems, drought and fires.”* Mr. Huffer stated that the subject property was purchased for \$185,000 on November 25, 2004, as a 2 bedroom, 2 bath single family dwelling and the additional cost to add the new bedroom was \$27,000. The sales of average quality homes within

Hidden Pines in 2003 indicated that the petitioners' opinion of value is reasonable. The petitioners' sale comparable was the only other average quality single family dwelling that sold within Hidden Pines in 2003 and was on the market for 2 years. The Gila County Assessor recommends the full cash value of the subject property be adjusted to \$215,000 for the 2005 tax year.

Decision: The full cash value has been adjusted based on the sales of average quality homes within Hidden Pines in 2003.

FCV = \$215,000; LPV = \$212,500; Legal Class = 3; and, Assessment Ratio = 10%.

Chairman Sanchez called for a brief recess at 2:50 p.m.

Chairman Sanchez reconvened the meeting at 3:10 p.m.

- **Parcel No. 301-18-061 – Jerry Goetsch - on the record.**

The Petition for Review of Notice of Change submitted by Mr. Goetsch states that his opinion of value for the subject property is \$60,706 based upon comparable sales of homes in the area. Mr. Huffer advised that Section 5 of A.R.S. §42-11001 states that "full cash value" is synonymous with "market value." He further advised that Mr. Goetsch's house is valued at \$83.58 per square foot, whereas six other comparable properties were valued at \$93.29 per square foot to \$118.57 per square foot. Mr. Huffer stated that comparable sale properties submitted by Mr. Goetsch were properties that were on the market for long periods of time with major problems. Mr. Huffer stated that he had personal knowledge of the subject area because he had previously lived in the area. Mr. Huffer stated, *"The petitioner's cost to construct the house is far less than the actual market value of the property. Sales in the Cool Pine Subdivision clearly indicate that the subject property is not over-valued by the Assessor."* Mr. Huffer recommended that the full cash value remain at \$87,270 for the 2005 tax year.

Decision: No change. The Board of Equalization agrees with the Assessor's opinion of value based on market sales of single family dwellings within Cool Pines Subdivision.

FCV = \$87,270; LPV = \$85,678; Legal Class = 3; and, Assessment Ratio = 10%.

Chairman Sanchez called for a brief recess at 3:20 p.m.

Chairman Sanchez reconvened the meeting at 3:30 p.m.

- **Parcel No. 205-09-002-F7 – Kenneth R. & Laurie A. Hawkins – in person.**

The Petition for Review of Notice of Change submitted by Mr. and Mrs. Hawkins states their opinion of value for the subject property is \$217,216. Mr. and Mrs. Hawkins advised that they purchased the property for \$315,000 on March 20, 2001. The appraisal at the time of purchase, completed by Mike Foil on March 7, 2001, was \$288,000. On September 18, 2003, Mr. and Mrs. Hawkins had an appraisal completed by Hagen Appraisal Service of Payson, Arizona, for the purpose of financing the purchase of a barn, which indicated an estimated property value of \$285,000 and did not include the cost of the barn. The petitioners' argument is that two professional appraisals state that the value of their property has decreased since 2001, but the County tax valuation has increased each year totaling 4.11% since 2002 without improvements and 12.3% with improvements. **(Note to the record from Mr. Huffer: Only a copy of the appraisal completed at the time of purchase and the appraisal completed on September 18, 2003, were submitted. The appraisal completed between these dates was not submitted nor was it 7seen.)** Mr. Huffer stated that the Gila County Assessor's 2005 full cash value is \$52,722 less than the fee appraisal which did not include the value of the new barn. Mr. Huffer stated the Assessor's full cash value of this property is clearly not over-valued, and he recommended that the full cash

value remain at \$232,347 for the 2005 tax year. At the conclusion of the discussion a decision was rendered by the Board.

Decision: No change. The Board of Equalization agrees with the Assessor's opinion of value. The Assessor's full cash value is not over-valued based on the appraisal dated September 18, 2003, completed by Hagen Appraisal Service.

FCV = \$232,347; LPV = \$232,278; Legal Class = 3; and, Assessment Ratio = 10%.

After the Board's decision was announced, Mr. Huffer advised Mr. and Mrs. Hawkins that, if they so choose, they may appeal the Board of Equalization's decision to the Arizona Tax Court within 60 days at a cost of \$90.

There being no further appeals for review, the Board adjourned the meeting at 4:00 p.m.

José M. Sanchez, Chairman

ATTEST:

John F. Nelson, County Administrator/Clerk